Tax-Spared Revolving Underwriting Facility

2212. SHRI DHULESHWAR MEENA: Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Development Bank of India has successfully arranged for a tax-spared revolving underwriting facility (RUF) $ 30 million in the Euro-dollar market;

(b) if so, the period for which facility is available; and

(c) how it will be utilised and how the tax-sparing advantage be passed on to the investors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY): (a) Yes, Sir.

(b) Ten years, with equal reduction in the amount of facility to be made semi-annually, beginning at the end of the 5th year. The facility being revolving, Industrial Development Bank of India can repay and redrew at its discretion throughout the life of the facility.

(c) The funds will be utilised by Industial Development Bank of India for on-lending to its Indian clients for financing import of capital goods and services for approved projects/schemes. The investors will be able to offset their tax liabilities by presenting tax-sparing loan certificates to their revenue authorities.

News-item captioned 'How Banks dupe Small Investors'

2213. SHRI DHULESHWAR MEENA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned 'How banks dupe small investors' which appeared in the 'Business Standard', Calcutta of the 2nd March, 1986;

(b) if so, what are the details in this regard; and

(c) what steps Government propose to take to set matters right and ensure early return of money locked up in the share applications to the applicants?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY): (a) Government have seen the press report on the subject.

(b) and (c) Reserve Bank of India have reported that their Calcutta Regional Office had received one complaint regarding misutilisation of two demand drafts for Rs. 100/- each tendered along with applications for shares of Champagne India Limited by a resident of Arrah (Bihar).

The Reserve Bank of India have directed the two banks concerned to investigate the matter and trace out the ultimate beneficiaries for appropriate remedial/punitive action.

Companies making public offer of capital are required to finalise allotments and issue refunds within 10 weeks from the closure of the subscription list. Where refunds are delayed beyond this period the companies are required to pay interest for the delayed period beyond 10 weeks at the rate of 15 per cent per annum.

Mandatory Certification Scheme

2214. SHRI DINKARRAO GOVINDRAO PATIL:

SHRI K. VASUDEVA PANICKER:

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether Government have identified the additional items affecting health and safety of consumers under

the Mandatory Certification Scheme of the ISI; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND FOOD AND CIVIL SUPPLIES (SHRI AJIT PANJA): (a) and (b) Yes, Sir. The following items affecting health and safety of consumers have been identified and brought under ISI Compulsory Certification Scheme. The effective dates from which the ISI Compulsory Certification Scheme will come into operation are indicated against each item:—

	Effective date
1. Oil Pressure Stoves	1.4.1986
2. Condensed Milk	4.7.1986
3. Milk Powder	4.7.1986

The following 7 additional items affecting the safety of consumers have also been identified by the Government and the requisite Notification will be issued by the Department of Industrial Development:—

1. Electric Immersion Water Heaters;
2. Electric Irons;
3. Electric Stoves;
4. Electric Radiators;
5. Switches for domestic and similar purposes;
6. 2 Amps Switches for domestic and similar purposes;
7. 3-pin plugs and socket outlets.

Income Tax Arrears of Public Sector Undertakings

2215. SHRI DINKARRAO GOVIND RAO PATIL:
SHRI K. VASUDEVA PANICKER:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that nearly 30 Public Sector Undertaking owe Rs. one crore as Income Tax;

(b) if so, what are the reasons for the arrears; and

(c) what steps are being taken by Government to recover the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY): (a) Yes, Sir. There were 28 Uublic Undertakings against whom the income-tax demand exceeding Rs. 1 crore was outstanding as on 30.6.1985.

(b) The demand remained outstanding mainly due to the appeals pending before the Appellate Authorities and Courts.

(c) Depending upon the facts and circumstances of each case, appropriate steps according to law, are taken to recover the demand outstanding. These steps include resorting to proceedings under sections 226(3), 179 and 222 of the Income-tax Act.

Applications for Loans under IRDP

2216. SHRI PARVATHANENI UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether all the applications for loans recommended under the Integrated Rural Development Programme (IRDP) have been cleared.

(b) if not, how many applications are still pending in various States;

(c) whether Government have recently instructed Branch Managers of banks dealing with the IRDP loans to meet all those persons who applied for loans but could not secure the same so far; and

(d) if so, how many such contacts were made so far, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY): (a) and (b) Instructions have been issued to the banks that all IRDP loan applications received from the